

**MINUTES OF THE  
ECONOMIC DEVELOPMENT AND REVENUE  
APPROPRIATIONS SUBCOMMITTEE**

Room 215 Senate Office Building, State Capitol Complex

February 5, 2009

**Members Present:** Sen. Ralph Okerlund, Co-Chairman  
Rep. Sheryl Allen, Co-Chairman  
Rep. Julie Fisher  
Rep. Chris Herrod  
Rep. Todd Kiser

**Members Excused:** Sen. Gene Davis  
Sen. Sheldon Killpack  
Rep. Jackie Biskupski  
Rep. Christine Johnson

**Staff Present:** Dr. Andrea Wilko, Chief Economist  
Dr. Thomas Young, Economist  
Jennifer Eyring, Committee Secretary

**Note:** A list of visitors and a copy of handouts are filed with the committee minutes.

The Committee met at the State Tax Commission building at 210 N. 1950 West, Salt Lake City, for a brief budget overview and a tour of the facilities.

**Tax Commission**

Rod Marrelli, Executive Director, Tax Commission, introduced Pam Hendrickson, D'Arcy Dixon Pignanelli and Marc Johnson of the Utah Tax Commission. An overview of the Tax Commission was given through a slide presentation. The organizational chart was explained and the following Division Directors were introduced: Dee Talbot, Tax Payer Services, Craig Sandberg, Auditing, Dennis Ritz, Processing, Brad Simpson, (not present) Motor Vehicles, Kent Jorgensen, Motor Vehicle Enforcement, and Denny Lytle, Property Tax. The Arches Project, the state's tax renewal project, is in the third year. The project is proceeding on time and on budget. Upgrades for the system are a part of the licencing agreement. Barry Conover, the Deputy Executive Director, is the project director. The *Arches Project Update* for January 2009 was provided to the committee.

Tax processing, tax deficiencies, compliance, motor vehicle processes and enforcement, and the property tax process were discussed. Questions concerning debt collection and motor vehicle fee collection were addressed. Mr. Marrelli expressed concern about pending legislation that would require certain documentation be shown to renew a vehicle registration. This could have

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effect of all registrations being done at an office, eliminating internet, mail, and service center registrations. In response to questions, it was stated that motor vehicle fraud increases in a declining economy and that there will likely be a need for more officers for enforcement. Also, the effect of foreclosures on property tax assessments was addressed. The increasing number of tax appeal cases and reasons for those increases was discussed.

Over 60% of income tax returns are filed electronically, which increases efficiency. Without an increase in staff, the Tax Commission has been able to handle the growth of services needed because of greater efficiency. Benefits of the new tax system were outlined. Mr. Marrelli asked the committee to consider their FY2010 budget requests.

Dennis Ritz, the Director of the Processing Division, took the committee on an informative tour of the processing area, including mail receiving and sorting, digitization of documents, and archives of microfilmed documents.

## **State Library**

The committee walked to the State Library Building located at 250 N. 1950 West, Salt Lake City.

Carolyn Bessey, State Library Board member and member of the Utah State Library Legislative Committee, welcomed the committee. The Library Board consists of 9 members who approve policy and work with all the libraries in the state. Library use has increased with the difficult economic times.

Donna Jones Morris, Director, Utah State Library, provided a brief slide presentation about the mission, statutory obligations, and work of the State Library. The FTE level has been reduced from 74 in 2001 to 67 for 2010. Other efficiencies implemented include work flow in the materials warehouse and with the bookmobile program. The four budget areas are Library Development, Library Resources, Blind and Disabled, and Administration. A request was made for \$8,874,500 for FY2010. The work of the four areas was discussed in greater detail. The following staff members were introduced: Cheryl Mansen, Deputy Director/Library Development Program Director, Bessie Oakes, Program Manager, Regional Library for the Blind and Disabled, Craig Neilson, Program Manager, Library Resources, Jeri Openshaw, Public Information Specialist, and Bela Vastag, Financial Manager.

The TV advertising spot featuring Nick Petersen and his use of books on tape from the library was played for the committee. Nick uses the machines and tapes to help him read with his dyslexia. Nick demonstrated the use of the machine for the committee and answered questions. Catherine Petersen, Nick's mother, commented on how using the books on tape has increased his

interest in reading and books.

Donna Jones Morris commented on the return of investment and economic impact of libraries, and emphasized the quality of life benefits for the citizens. Questions from the committee were addressed and a packet of information was provided to the committee.

The committee was taken on a tour of the Library, including the warehouse for the blind and disabled materials, the recording facilities, radio studio, and Braille printer. Each Program Director talked about their area of responsibility.

The committee thanked the staff for an informative and interesting tour.

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Sen. Ralph Okerlund, Co-Chair

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Rep. Sheryl L. Allen, Co-Chair